

Introduced by _____

First Reading _____

Second Reading _____

Ordinance No. _____

Council Bill No. B 152-13

AN ORDINANCE

authorizing a neighborhood stabilization program operating agreement with the Columbia Housing Authority for the transfer of title to properties located at 106, 108 and 110 West Sexton Road; authorizing the City Manager to execute a general warranty deed to transfer title to properties located at 106, 108 and 110 West Sexton Road; directing the City Clerk to have the general warranty deed recorded; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Manager is hereby authorized to execute a Neighborhood Stabilization Program (NSP) operating agreement with the Columbia Housing Authority for the transfer of title to property located at 106, 108 and 110 West Sexton Road. The form and content of the agreement shall be substantially as set forth in "Exhibit A" attached hereto and made a part hereof as fully as if set forth herein verbatim.

SECTION 2. The City Manager is hereby authorized to execute a general warranty deed transferring real properties located at 106, 108 and 110 West Sexton Road to the Columbia Housing Authority. The form of the general warranty deed shall be substantially as set forth in "Exhibit B" attached hereto and made a part hereof as fully as if set forth herein verbatim.

SECTION 3. The City Clerk is authorized and directed to have the general warranty deed recorded in the office of the Boone County Recorder of Deeds.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

PASSED this _____ day of _____, 2013.

ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor

**NEIGHBORHOOD STABILIZATION PROGRAM OPERATING AGREEMENT
TRANSFER OF TITLE, 106, 108, and 110 W. SEXTON**

THIS AGREEMENT, made and entered into this ____ day of _____, 2013, by and between the City of Columbia, Missouri, a municipal corporation (hereinafter, "City"), Columbia Housing Authority a municipal corporation of the State of Missouri, hereinafter called "CHA or Agency".

WITNESSETH:

WHEREAS, the City received Neighborhood Stabilization Program (NSP) funds from the Department of Housing and Urban Development (HUD) for the purpose of retaining and adding to the supply of affordable housing in the community, and

WHEREAS, the City will be transferring title properties to the Columbia Housing Authority (CHA) in order to develop affordable housing units legally described as:

The west forty-one (41) feet Lot Two (2) and the east four and one-half (41/2) feet of Lot Three (3) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two, both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri.

The East Half (E ½) of Lot Three (3) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two (72), both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri. Except the east four and one-half (41/2) feet thereof.

The West Half (W ½) of Lot Three (3) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two (72), both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri.

(hereinafter referred to as the "Property"); and

NOW, THEREFORE, the City and the Agency agree as follows:

1. Eligible Activities

The City shall transfer title of 106, 108, and 110 W. Sexton for the purpose of developing affordable housing rental or owner occupied housing units. The Agency agrees that as a condition of receiving this property; it will (a) maintain the property in a manner that is consistent with the requirements outlined by the Department of Housing and Urban Development at 24 CFR 92.252 (a), (c), (e) and (f) and with the requirements of 24 CFR 92.254.

2. Program Income and Sales Proceeds

CHA shall maintain an accounting system to account for program income and operational expenses associated with the properties. Income received from rent payments shall be defined as rent payments less property management expenses including: staffing, maintenance, capital expenditures, and reserve accounts. CHA shall retain program income account for the development of affordable housing consistent with the requirements outlined by the Department of Housing and Urban Development at 24

CFR 92.252 (a), (c), (e) and (f) and with the requirements of 24 CFR 92.254.

Upon sale of any NSP the property to a qualified buyer, CHA shall retain 100% of the sales proceeds and must retain these funds in the separate NSP Program Income account for the development of affordable housing development consistent with the requirements outlined by the Department of Housing and Urban Development at 24 CFR 92.252 (a), (c), (e) and (f) and with the requirements of 24 CFR 92.254.

3. Homebuyer Requirements

The Agency shall be responsible for the sale of either property to a tenant that meets current NSP Program requirements for a household with not greater than 120% of the Median Family Income as defined by HUD for the NSP Program. Homebuyers shall have completed not less than 8 hours of Homebuyer Counseling.

4. Rental Requirements

The Agency shall be responsible for the rental of the property to a tenant that meets current NSP Program requirements for a household with not greater than 50% of the Median Family Income as defined by HUD. The Agency is required to maintain the property to a standard that meets the most current City Property Maintenance Code.

5. City Recognition: CHA shall ensure recognition of the role of the City NSP funds assisting in the development of this project, including reference to the support provided herein in all publications made possible with funds available under this Agreement; and signage located at the construction site.

6. Applicable Federal Regulations:

a) The Agency agrees to comply with all applicable provisions of the Americans with Disabilities Act and the regulations implementing the Act, including those regulations governing employment practices. The Owner agrees to comply with Section 504 of the Rehabilitation Act of 1973, as amended, the Uniform Federal Accessibility Standards, and applicable building codes for the City of Columbia.

b) The Agency agrees to comply with Chapter 643 RSMO of the Missouri Air Conservation Law and State Asbestos Regulation 10 CSR 10-6.080, and all other related applicable Federal and State regulations.

c) The Agency agrees to comply with the following laws governing fair housing and equal opportunity including: Title VI of the Civil Rights Act of 1964 and Executive Order 11063, the Fair Housing Act with implementing regulations at 24 CFR part 100-115, the Age Discrimination Act of 1975 with implementing regulations at 24 CFR Part 146, and Section 109 of the Housing and Community Development Act of 1974.

d) The Agency agrees to comply with the following laws and regulations regarding equal opportunity in employment and contracting: Executive Order 11246 with implementing regulations at 41 CFR Part 60, Section 3 of the Housing and Urban Development Act of 1968 regarding employment by lower income local residents, and Executive Orders 11625, 12432, and 12138 regarding outreach to minority and female owned businesses.

e) In accordance with the provisions of 24 CFR 85, the Owner agrees that the City may suspend or terminate this Agreement should the Agency materially fail to comply with any of the terms of this Agreement and that the award may be terminated for convenience in accordance with 24 CFR Part 85.44.

f) Upon finding that the Agency materially fails to comply with any term of this Agreement, the properties and any NSP program income on hand at the time of such funding shall be transferred to the City of Columbia and future NSP funding may be denied.

g) The Agency shall comply with the conflict of interest provisions of HUD regulations at 24 CFR Part 92.356, which governs the procurement of supplies and contracts and the provision of services to clients. The provisions cover services provided for, or by, persons who are employees, agents, or elected officials of the City of Columbia.

h) The Agency agrees to not use debarred, suspended or ineligible contractors as defined by 24 CFR Part 92.350 (a).

i) The Agency agrees to provide a copy of its annual financial audit to the City.

11. Records and Reports

a) The Agency shall provide all information needed for compliance monitoring purposes by the City and the U.S. Department of Housing and Urban Development. The Agency shall permit City to inspect the property on a yearly basis as a part of its annual rental compliance monitoring.

b) The Agency shall retain all records pertinent to the NSP program and shall allow access to such records upon request and during monitoring visits.

c) The Agency shall maintain data demonstrating rental occupant and home buyer eligibility. Such data shall include, but not be limited to, name, address, income level or other basis for determining eligibility, gender, race and size of household.

13. Notice to Transferees

If the Agency or a successor sells, transfers, exchanges or encumbers the Property at any time after the initial date of NSP Program expenditures on the property described in this Agreement, the Agency or the successor shall notify in writing and obtain the agreement of any buyer or successor or other person acquiring the Property or any interest therein that such acquisition is subject to the requirements of this Agreement. The Agency agrees that the City may void any sale, transfer, exchange or encumbrance of the Property if the buyer or successor or other person fails to assume in writing the requirements of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first above written.

CITY OF COLUMBIA, MISSOURI

BY: _____
Mike Matthes, City Manager

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Cavanaugh Noce, City Counselor

Columbia Housing Authority

By: Phil Steinhaus _____

Title: CEO _____

GENERAL WARRANTY DEED

THIS INDENTURE, made this _____ day of _____, 2013, by and between the City of Columbia, Missouri, a municipal corporation ("Grantor") and Columbia Housing Authority of the City of Columbia, a municipal corporation of the state of Missouri ("Grantee"): (Grantee's mailing address: 201 Switzler Street, Columbia, Missouri 65203).

WITNESSETH, that the said Grantors, for and in consideration of ten dollars (\$10) and other good and valuable consideration, the receipt whereof is hereby acknowledged, do GRANT, BARGAIN AND SELL, CONVEY AND CONFIRM unto the said Grantee, its successors and assigns, the following described real estate situated in Boone County, Missouri, to wit:

The west forty-one (41) feet Lot Two (2) and the east four and one-half (41/2) feet of Lot Three (3) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two, both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri.

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The West Half (W 1/2) of Lot Three (3) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two (72), both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri.

Subject to building lines, conditions, restrictions, and easements, and zoning regulations of record, if any.

TO HAVE AND TO HOLD the same, with all and singular the rights, privileges, appurtenances and amenities thereto belonging, or in any wise appertaining, unto the said Grantee and its successors and assigns, FOREVER, and the said Grantors hereby covenant that it is lawfully seized of an indefeasible estate in fee simple in the premises herein conveyed; that it has good right to convey the same; that the premises are free and clear of any

encumbrances whatsoever done or suffered by it or those under whom it claims; that it will make and execute such other and further assurances and do such other acts and things as may be necessary for perfecting the title and confirming the premises hereby granted; and that it will warrant and defend the title to said premises unto the said Grantee and its heirs and assigns, against the lawful claims of all persons whomsoever; excepting, however, the general taxes, special assessments becoming a lien after the date of this deed.

This transaction is subject to the agreement, terms, and conditions of the HOME operating agreement between the parties dated _____, 2013.

IN WITNESS WHEREOF, the said Grantors have set their hands and have executed this Deed the day and year first above written.

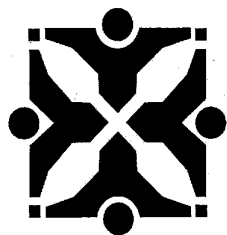
Mike Matthes, City Manager
City of Columbia

STATE OF MISSOURI)
)ss
COUNTY OF BOONE)

On this _____ day of _____, 2013, before me, a Notary Public in and for said state, personally appeared Mike Matthes, City Manager of the City of Columbia, known to me to be the person who executed the foregoing instrument and acknowledged to me that he executed the same for the purposes therein stated.

Notary Public, State of Missouri

My commission expires:



Source: Community Development - CDBG/Home TH Agenda Item No:

To: City Council
From: City Manager and Staff *MM*

Council Meeting Date: Jun 3, 2013

Re: Donation of 106, 108 and 110 W. Sexton to the Columbia Housing Authority

EXECUTIVE SUMMARY:

The proposed ordinance authorizes the City Manager to donate 106, 108 and 110 W. Sexton to the Columbia Housing Authority (CHA) for the purpose of affordable housing development. Each of these properties were acquired through the Neighborhood Stabilization Program (NSP).

In January of 2009, the City of Columbia was awarded \$610,806 in NSP funding through the U.S. Department of Housing and Urban Development (HUD) to assist in stabilizing distressed neighborhoods. Eligible activities in the City of Columbia's NSP budget include: rehabilitation, land bank acquisition, land bank disposition, redevelopment, and administration. 106, 108, and 110 W Sexton adjoin several additional properties that will be utilized for the entire affordable housing development project.

DISCUSSION:

The NSP is funded through HUD and administered by the Missouri Department of Economic Development (MoDED). The NSP provides funds to assist in stabilizing neighborhoods impacted by foreclosure. The City of Columbia budgeted funds for five NSP eligible activities including: rehabilitation, land bank acquisition, land bank disposition, redevelopment, and administration.

The City acquired 106, 108 and 110 W. Sexton through the NSP in December of 2010. The CHA currently owns several adjoining properties on the same block, and is planning to complete a significantly sized affordable housing project. The Columbia Community Development Corporation (CCDC) will also be donating 3 adjoining properties to the project. The CHA will be applying to a variety of funding sources, potential funding sources for the project include, City of Columbia CDBG and HOME funds, Missouri Housing Development Commission (MHDC) low-income housing tax credits, Federal Home Loan Bank of Des Moines, and tax exempt bonds. Total development costs for the project are estimated to be \$3,413,010, and will consist of 21 affordable housing units (6 single family residential, 3 three-plexes, and 3 two-plexes). Construction is projected to begin in the fall of 2014, with completion projected for fall of 2015. A brief summary of the project is included as attachment a.

The attached ordinance authorizes donation of these 3 properties to the Columbia Housing Authority for the purpose of affordable housing development.

FISCAL IMPACT:

No fiscal impact from disposition of the properties.

VISION IMPACT:

<http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php>

11.1

SUGGESTED COUNCIL ACTIONS:

Approve the attached ordinance authorizing the City Manager to donate 106, 108 and 110 W Sexton to the Columbia Housing Authority through the attached operating agreement (Attachment B).

FISCAL and VISION NOTES:					
City Fiscal Impact Enter all that apply		Program Impact		Mandates	
City's current net FY cost	\$0.00	New Program/ Agency?	No	Federal or State mandated?	Yes
Amount of funds already appropriated	\$0.00	Duplicates/Epands an existing program?	No	Vision Implementation impact	
Amount of budget amendment needed	\$0.00	Fiscal Impact on any local political subdivision?	No	Enter all that apply: Refer to Web site	
Estimated 2 year net costs:		Resources Required		Vision Impact?	No
One Time	\$0.00	Requires add'l FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	11.1
Operating/ Ongoing	\$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	
		Requires add'l capital equipment?	No	Fiscal year implementation Task #	

Narratives

Divided into two major sections (Project Description & Organizational Description).

Project Description

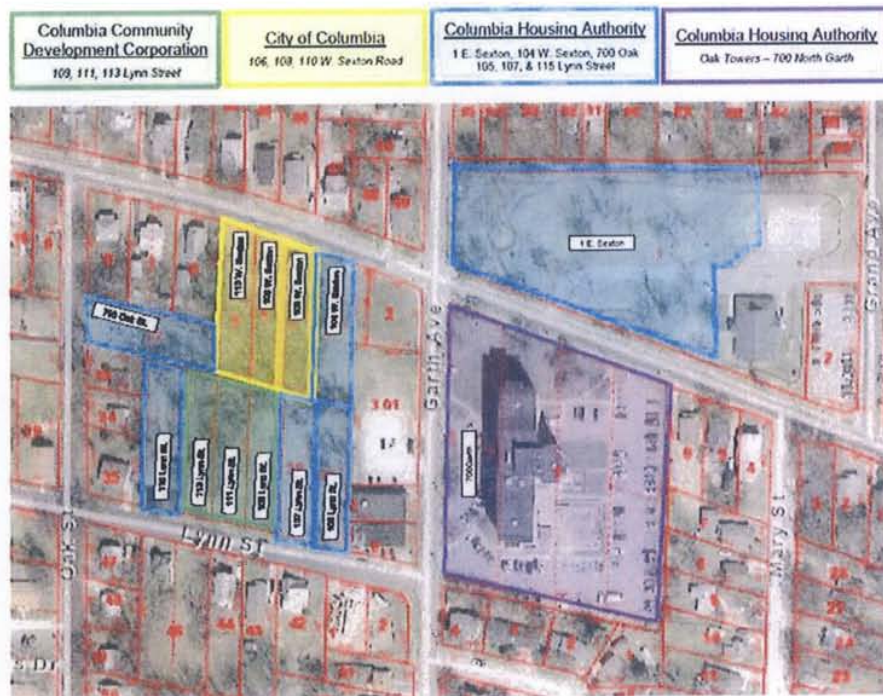
1. Provide a 250-500 word summary describing the proposed project.

In December 2012, the Columbia Housing Authority (CHA) acquired several properties located in the vicinity of the intersection of Garth Avenue and Sexton Road for the purpose of developing new affordable housing to serve low-income families and individuals.

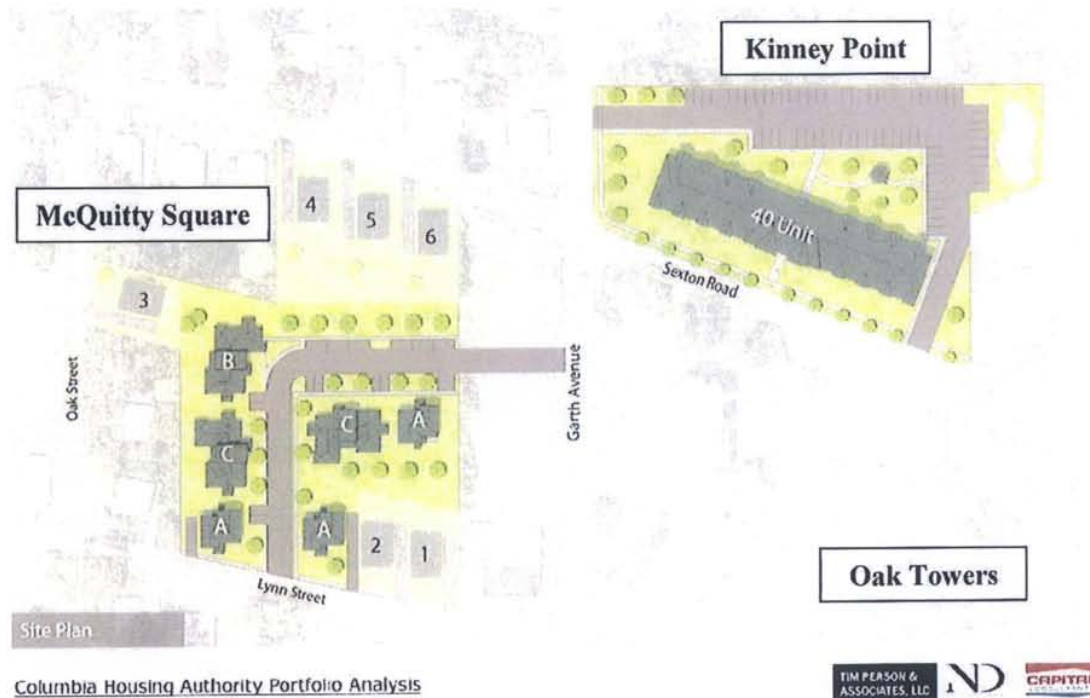
The purchase of these properties is part of the CHA's Affordable Housing Initiative which was launched in May 2012 with the goal of preserving and developing affordable housing in the heart of Columbia and surrounding neighborhoods. See attached goals and objectives.

The properties acquired by the CHA are located across from Oak Towers and in close proximity to other CHA properties that makes this a very desirable location for the CHA to develop additional affordable housing options. These properties are as follows and highlighted in blue in the map below.

Address	Lot Size	Sq. Ft.	Address	Lot Size	Sq. Ft.
1 East Sexton Road	1.96 Acres	85,377	105 Lynn Street	50' x 202.8'	10,140
104 West Sexton Road	59'x202.8'	11,965	107 Lynn Street	50' x 204.6'	10,230
700 Oak Street	60' x 198'	11,880	115 Lynn Street	50' x 211.5'	10,575

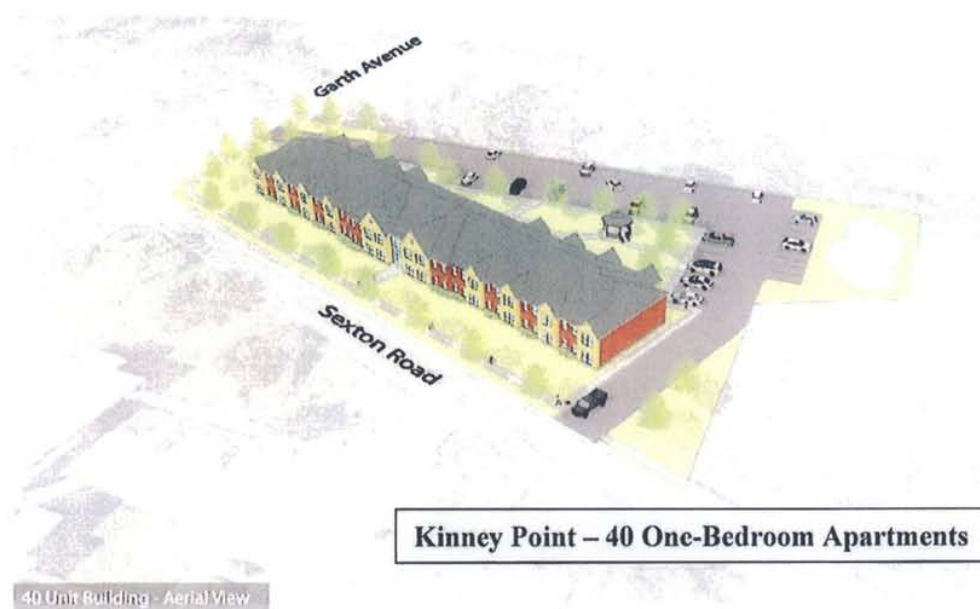


Since acquiring these properties, the CHA has formed a working partnership with the City of Columbia and the Columbia Community Development Corporation (CCDC) to develop affordable housing on CHA owned properties and adjacent properties owned by the City and the CCDC. The City of Columbia owns three adjacent vacant lots located at 106, 108, & 110 West Sexton Road. These lots were acquired by the City of Columbia through its Neighborhood Stabilization Program. The Columbia Community Development Corporation (CCDC) owns three adjacent vacant lots located at 109, 111, & 113 Lynn Street that they acquired with the intention of using for the development of affordable housing.



Garth Avenue and Sexton Road Intersection Affordable Housing Conceptual Designs

For purposes of the budget of this application, we are only addressing the 15 rental homes on the Southwest plot of the Garth Avenue and Sexton Road intersection for the prospective development we have named "McQuitty Square", although we are also planning a complex that will consist of up to 40 one bedroom units on the Northeast corner for the prospective development we have named "(Marvin) Kinney Point" (in honor of our Board Chairperson of 23 years who recently passed) – below:



Columbia Housing Authority Portfolio Analysis

TIM PERSON &
ASSOCIATES, LLC

ND

CAPITAL
COLUMBIA

The 2.58 acre site is bounded by Sexton Road to the north, Garth Avenue to the east, Lynn Street to the south, and Oak Street to the west. The site is currently overgrown with multiple brush trees and has an open concrete culvert running across the site that is known as Flat Branch. The culvert extends from Oak Street to the west to Garth Avenue to the east. There are existing adjacent single family structures on Sexton Road and Oak Street. The Grace Covenant church is located on the southeast corner of Garth Avenue and Lynn Street and surface parking lots extend the along the west side of Garth Avenue to Sexton Road.



**Properties Purchased on Southwest Corner of Garth & Sexton
Dilapidated Structures and Overgrown Foliage**

...In which we wish to present

The new development which will have (6) single family structures and (6) multi-family structures. There will be (3) single family structures fronting Sexton Road, (1) single family structure fronting Oak Street, and (2) single family structures fronting Lynn Street. (2) Duplex multi-family structures will front Lynn Street and (4) multi-family structures will front a new street on the interior of the site. The new street will have one curb cut on Lynn Street between the (2) new duplex multi-family buildings. The street will extend north on site with a 90 degree turn and extend to Garth Avenue with a single curb cut. The street will be asphalt paving on granular base and have concrete curbs and 5 foot wide concrete sidewalks. Surface parking for the multi-family dwelling will be a combination of parallel parking along the street and multiple parking pads.



Columbia Housing Authority Portfolio Analysis

TIM PERSON & ASSOCIATES, LLC ND CAPITAL



Columbia Housing Authority Portfolio Analysis

TIM PERSON & ASSOCIATES, LLC ND CAPITAL